

In re: USA Commercial Mortgage Company

Case No. 06-10725-LBR

**CHAPTER 11  
 MONTHLY OPERATING REPORT  
 (GENERAL BUSINESS CASE)**

**SUMMARY OF FINANCIAL STATUS**

**MONTH ENDED:** Apr-13

**PETITION DATE:** 04/13/06

1. Debtor in possession (or trustee) hereby submits this Monthly Operating Report on the Accrual Basis of accounting (or if checked here the Office of the U.S. Trustee or the Court has approved the Cash Basis of Accounting for the Debtor).  
 Dollars reported in \$1

2. **Asset and Liability Structure**

a. Current Assets  
 b. Total Assets  
 c. Current Liabilities  
 d. Total Liabilities

	<u>End of Current Month</u>	<u>End of Prior Month</u>	<u>As of April 13, 2006</u>
a. Current Assets	\$0	\$0	
b. Total Assets	\$0	\$0	\$122,468,825
c. Current Liabilities	\$0	\$0	
d. Total Liabilities	\$0	\$0	\$61,634,630
			<b>Cumulative (Case to Date)</b>
a. Total Receipts	\$0	\$0	\$40,576,057
b. Total Disbursements	\$0	\$0	\$41,152,289
c. Excess (Deficiency) of Receipts Over Disbursements (a - b)	\$0	\$0	(\$576,232)
d. Cash Balance Beginning of Month	\$0	\$0	\$576,232
e. Cash Balance End of Month (c + d)	\$0	\$0	\$0
	<u>Current Month</u>	<u>Prior Month</u>	<u>Cumulative (Case to Date)</u>
4. Profit/(Loss) from the Statement of Operations	\$0	\$0	
5. Account Receivables (Pre and Post Petition)	\$0	\$0	
6. Post-Petition Liabilities	\$0	\$0	
7. Past Due Post-Petition Account Payables (over 30 days)	\$0	\$0	

**At the end of this reporting month:**

8. Have any payments been made on pre-petition debt, other than payments in the normal course to secured creditors or lessors? (if yes, attach listing including date of payment, amount of payment and name of payee) Yes No  
 9. Have any payments been made to professionals? (if yes, attach listing including date of payment, amount of payment and name of payee) Yes No  
 10. If the answer is yes to 8 or 9, were all such payments approved by the court? Yes No  
 11. Have any payments been made to officers, insiders, shareholders, relatives? (if yes, attach listing including date of payment, amount and reason for payment, and name of payee) Yes No  
 12. Is the estate insured for replacement cost of assets and for general liability? Yes No  
 13. Are a plan and disclosure statement on file? Yes No  
 14. Was there any post-petition borrowing during this reporting period? Yes No  
 15. Check if paid: Post-petition taxes x; U.S. Trustee Quarterly Fees x; Check if filing is current for: Post-petition tax reporting and tax returns: x. (Attach explanation, if post-petition taxes or U.S. Trustee Quarterly Fees are not paid current or if post-petition tax reporting and tax return filings are not current.)

I declare under penalty of perjury I have reviewed the above summary and attached financial statements, and after making reasonable inquiry believe these documents are correct.

Date: 5/9/13

  
 Responsible Individual

## **STATEMENT OF OPERATIONS**

**(General Business Case)**  
For the Month Ended 04/30/13

Attach an Explanation of Variance to Statement of Operations (For variances greater than +/- 10% only):

**BALANCE SHEET**  
**(General Business Case)**  
For the Month Ended 04/30/13

**Assets**

		<u>From Schedules</u>	<u>Market Value</u>
<b>1</b>	Cash and cash equivalents - unrestricted		
<b>2</b>	Cash and cash equivalents - restricted		
<b>3</b>	Accounts receivable (net)	A	\$0
<b>4</b>	Inventory	B	\$0
<b>5</b>	Prepaid expenses		
<b>6</b>	Professional retainers		
<b>7</b>	Other: _____		
<b>8</b>			
<b>9</b>	<b>Total Current Assets</b>		\$0
 <b>Property and Equipment (Market Value)</b>			
<b>10</b>	Real property	C	\$0
<b>11</b>	Machinery and equipment	D	\$0
<b>12</b>	Furniture and fixtures	D	\$0
<b>13</b>	Office equipment	D	\$0
<b>14</b>	Leasehold improvements	D	\$0
<b>15</b>	Vehicles	D	\$0
<b>16</b>	Other: _____	D	
<b>17</b>		D	
<b>18</b>		D	
<b>19</b>		D	
<b>20</b>		D	
<b>21</b>	<b>Total Property and Equipment</b>		\$0
 <b>Other Assets</b>			
<b>22</b>	Loans to shareholders		
<b>23</b>	Loans to affiliates		
<b>24</b>			
<b>25</b>			
<b>26</b>			
<b>27</b>			
<b>28</b>	<b>Total Other Assets</b>		\$0
<b>29</b>	<b>Total Assets</b>		\$0

**NOTE:**

Indicate the method used to estimate the market value of assets (e.g., appraisals; familiarity with comparable market prices, etc.) and the date the value was determined.

**Liabilities and Equity**  
**(General Business Case)**

**Liabilities From Schedules**

**Post-Petition**

**Current Liabilities**

30	Salaries and wages	
31	Payroll taxes	
32	Real and personal property taxes	
33	Income taxes	
34	Sales taxes	
35	Notes payable (short term)	
36	Accounts payable (trade)	A
37	Real property lease arrearage	
38	Personal property lease arrearage	
39	Accrued professional fees	
40	Current portion of long-term post-petition debt (due within 12 months)	
41	Other:	
42		
43		
44	<b>Total Current Liabilities</b>	\$0

**45 Long-Term Post-Petition Debt, Net of Current Portion**

**46 Total Post-Petition Liabilities**

**Pre-Petition Liabilities (allowed amount)**

47	Secured claims	F	\$0
48	Priority unsecured claims	F	\$0
49	General unsecured claims	F	\$0
50	<b>Total Pre-Petition Liabilities</b>		\$0
51	<b>Total Liabilities</b>		\$0

**Equity (Deficit)**

52	Retained Earnings/(Deficit) at time of filing		\$38,932,893
53	Capital Stock		\$75,000
54	Additional paid-in capital		
55	Cumulative profit/(loss) since filing of case		(\$39,007,893)
56	Post-petition contributions/(distributions) or (draws)		
57			
58	Market value adjustment		
59	<b>Total Equity (Deficit)</b>		\$0
60	<b>Total Liabilities and Equity (Deficit)</b>		\$0

**SCHEDULES TO THE BALANCE SHEET**  
**(General Business Case)**

**Schedule A**

**Accounts Receivable and (Net) Payable**

**Receivables and Payables Agings**

0 -30 Days  
 31-60 Days  
 61-90 Days  
 91+ Days  
 Total accounts receivable/payable  
 Allowance for doubtful accounts  
 Accounts receivable (net)

	<u>Accounts Receivable</u> <u>[Pre and Post Petition]</u>	<u>Accounts Payable</u> <u>[Post Petition]</u>	<u>Past Due</u> <u>Post Petition Debt</u>
	_____	_____	_____
	_____	_____	_____
	_____	_____	\$0
	\$0	\$0	
	_____	_____	
	\$0		

**Schedule B**

**Inventory/Cost of Goods Sold**

**Types and Amount of Inventory(ies)**

**Inventory(ies)**  
**Balance at**  
**End of Month**

**Cost of Goods Sold**

Retail/Restaurants -  
 Product for resale

\_\_\_\_\_

**Inventory Beginning of Month**

Add -

Net purchase

Direct labor

Manufacturing overhead

Freight in

Other:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Distribution -  
 Products for resale

\_\_\_\_\_

**Less -**

Inventory End of Month

Shrinkage

Personal Use

\_\_\_\_\_

\_\_\_\_\_

Manufacturer -  
 Raw Materials

\_\_\_\_\_

**Cost of Goods Sold**

Work-in-progress

\_\_\_\_\_

\_\_\_\_\_

Finished goods

\_\_\_\_\_

Other - Explain

\_\_\_\_\_

\$0

**TOTAL**

\_\_\_\_\_

**Method of Inventory Control**

Do you have a functioning perpetual inventory system?

Yes \_\_\_\_\_

No \_\_\_\_\_

How often do you take a complete physical inventory?

Weekly

\_\_\_\_\_

**Inventory Valuation Methods**

Indicate by a checkmark method of inventory used.

Monthly

\_\_\_\_\_

Valuation methods -

FIFO cost

\_\_\_\_\_

LIFO cost

\_\_\_\_\_

Lower of cost or market

\_\_\_\_\_

Retail method

\_\_\_\_\_

Other

\_\_\_\_\_

Explain

Quarterly

\_\_\_\_\_

Semi-annually

\_\_\_\_\_

Annually

\_\_\_\_\_

Date of last physical inventory was

\_\_\_\_\_

Date of next physical inventory is

\_\_\_\_\_

**Schedule C**  
**Real Property**

Description	<u>Cost</u>	<u>Market Value</u>
Total	<u>\$0</u>	<u>\$0</u>

**Schedule D**  
**Other Depreciable Assets**

Description	<u>Cost</u>	<u>Market Value</u>
Machinery & Equipment -		
Total	<u>\$0</u>	<u>\$0</u>
Furniture & Fixtures -		
Total	<u>\$0</u>	<u>\$0</u>
Office Equipment -		
Total	<u>\$0</u>	<u>\$0</u>
Leasehold Improvements -		
Total	<u>\$0</u>	<u>\$0</u>
Vehicles -		
Total	<u>\$0</u>	<u>\$0</u>

## Schedule E

Aging of Post-Petition Taxes  
(As of End of the Current Reporting Period)

Taxes Payable	<u>0-30 Days</u>	<u>31-60 Days</u>	<u>61-90 Days</u>	<u>91+ Days</u>	<u>Total</u>
<b>Federal</b>					
Income Tax Withholding					\$0
FICA - Employee					\$0
FICA - Employer					\$0
Unemployment (FUTA)					\$0
Income					\$0
Other (Attach List)					\$0
<b>Total Federal Taxes</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>State and Local</b>					
Income Tax Withholding					\$0
Unemployment (UT)					\$0
Disability Insurance (DI)					\$0
Empl. Training Tax (ETT)					\$0
Sales					\$0
Excise					\$0
Real property					\$0
Personal property					\$0
Income					\$0
Other (Attach List)					\$0
<b>Total State &amp; Local Taxes</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Taxes</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Schedule F  
Pre-Petition LiabilitiesList Total Claims For Each Classification -

	<u>Claimed Amount</u>	<u>Allowed Amount (b)</u>
Secured claims (a)		
Priority claims other than taxes		
Priority tax claims		
General unsecured claims		

(a) List total amount of claims even if under secured.  
 (b) Estimated amount of claim to be allowed after compromise or litigation. As an example, you are a defendant in a lawsuit alleging damage of \$10,000,000 and a proof of claim is filed in that amount. You believe that you can settle the case for a claim of \$3,000,000. For Schedule F reporting purposes you should list \$10,000,000 as the Claimed Amount and \$3,000,000 as the Allowed Amount.

Schedule G  
Rental Income Information  
Not applicable to General Business CasesSchedule H  
Recapitulation of Funds Held at End of Month

	<u>Account 1</u>	<u>Account 2</u>	<u>Account 3</u>	<u>Account 4</u>
Bank				
Account Type				
Account No.				
Account Purpose				
Balance, End of Month				
Total Funds on Hand for all Accounts	<u>\$0</u>			

Attach copies of the month end bank statement(s), reconciliation(s), and the check register(s) to the Monthly Operating Report.

**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS****Increase/(Decrease) in Cash and Cash Equivalents**For the Month Ended 04/30/13

		Actual <u>Current Month</u>	Cumulative (Case to Date)
<b>Cash Receipts</b>			
1	Rent/Leases Collected		
2	Cash Received from Sales		\$7,861,555
3	Interest Received		\$559,259
4	Borrowings		
5	Funds from Shareholders, Partners, or Other Insiders		\$5,000
6	Capital Contributions		
7	Management Fees from USA Capital Realty Advisors, LLC		\$1,564,093
8	Tax, Security Deposit, and Other Refunds		\$8,929
9	Principal Received on Notes Receivable		\$82,832
10	Escrow Deposit/ Sale Proceeds/ Effective Date transfer		\$30,494,389
11			
12	<b>Total Cash Receipts</b>	<b>\$0</b>	<b>\$40,576,057</b>
<b>Cash Disbursements</b>			
13	Payments for Inventory		
14	Selling		\$2,619
15	Administrative		\$1,104,247
16	Capital Expenditures		
17	Principal Payments on Debt		\$150,645
18	Interest Paid		\$4,888
19	Rent/Lease:		9963
20	Personal Property		\$569,426
21	Real Property		
22	Amount Paid to Owner(s)/Officer(s):		
23	Salaries		
24	Draws		
25	Commissions/Royalties		
26	Expense Reimbursements		
27	Other		
28	Salaries/Commissions (less employee withholding)		\$1,740,393
29	Management Fees		
30	Taxes:		\$213,091
31	Employee Withholding		\$94,063
32	Employer Payroll Taxes		
33	Real Property Taxes		\$78,889
34	Other Taxes		
35	Other Cash Outflows:		\$19,806,828
36	Professional Fees Paid in Connection with Chpater 11 Case		\$82,742
37	US Trustee Quarterly Fees		\$10,263,353
38	Escrow Deposit/ Interpleader Settlement/ Transfer to Trustee		\$7,031,142
39	DTDF & PBGC Settlement		
40	<b>Total Cash Disbursements:</b>	<b>\$0</b>	<b>\$41,152,289</b>
41	<b>Net Increase (Decrease) in Cash</b>	<b>\$0</b>	<b>(\$576,232)</b>
42	<b>Cash Balance, Beginning of Period</b>		<b>\$576,231</b>
43	<b>Cash Balance, End of Period</b>	<b>\$0</b>	<b>\$0</b>

**STATEMENT OF CASH FLOWS**  
 (Optional) Increase/(Decrease) in Cash and Cash Equivalents  
 For the Month Ended 04/30/13

		<u>Actual</u>	<u>Cumulative</u>
		<u>Current Month</u>	<u>(Case to Date)</u>
	<b>Cash Flows From Operating Activities</b>		
1	Cash Received from Sales		\$7,861,555
2	Rent/Leases Collected		
3	Interest Received		\$559,259
4	Cash Paid to Suppliers		
5	Cash Paid for Selling Expenses		\$2,619
6	Cash Paid for Administrative Expenses		\$1,104,247
7	Cash Paid for Rents/Leases:		
8	Personal Property		\$9,963
9	Real Property		\$569,426
10	Cash Paid for Interest		\$4,888
	Cash Paid for Net Payroll and Benefits		\$1,740,393
	Cash Paid to Owner(s)/Officer(s):		
11	Salaries		
12	Draws		
13	Commissions/Royalties		
14	Expense Reimbursements		
15	Other		
	Cash Paid for Taxes Paid/Deposited to Tax Acct.		
16	Employer Payroll Tax		\$94,063
17	Employee Withholdings		\$213,091
18	Real Property Taxes		
19	Other Taxes		\$78,889
20	Cash Paid for General Expenses		
21	Management Fees from USA Capital Realty Advisors, LLC		(\$1,564,093)
22	Tax, Security Deposit, and Other Refunds		(\$8,929)
23	Principal Received on Notes Receivable		(\$82,832)
24			\$0
25			
26			
27	<b>Net Cash Provided (Used) by Operating Activities before Reorganization Items</b>	<b>\$0</b>	<b>\$6,259,089</b>
	<b>Cash Flows From Reorganization Items</b>		
28	Interest Received on Cash Accumulated Due to Chp 11 Case		
29	Professional Fees Paid for Services in Connection with Chp 11 Case		\$19,806,828
30	U.S. Trustee Quarterly Fees		\$82,742
31			(\$13,199,894)
32	<b>Net Cash Provided (Used) by Reorganization Items</b>	<b>\$0</b>	<b>(\$6,689,676)</b>
33	<b>Net Cash Provided (Used) for Operating Activities and Reorganization Items</b>	<b>\$0</b>	<b>(\$430,587)</b>
	<b>Cash Flows From Investing Activities</b>		
34	Capital Expenditures		
35	Proceeds from Sales of Capital Goods due to Chp 11 Case		
36			
37	<b>Net Cash Provided (Used) by Investing Activities</b>	<b>\$0</b>	<b>\$0</b>
	<b>Cash Flows From Financing Activities</b>		
38	Net Borrowings (Except Insiders)		
39	Net Borrowings from Shareholders, Partners, or Other Insiders		\$5,000
40	Capital Contributions		
41	Principal Payments		\$150,645
42			
43	<b>Net Cash Provided (Used) by Financing Activities</b>	<b>\$0</b>	<b>(\$145,645)</b>
44	<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>\$0</b>	<b>(\$576,232)</b>
45	<b>Cash and Cash Equivalents at Beginning of Month</b>		<b>\$576,231</b>
46	<b>Cash and Cash Equivalents at End of Month</b>	<b>\$0</b>	<b>\$0</b>